

health and to understand the science of forest health and discuss the changes necessary to manage for long-term forest health. The hearing will be held at the Northern Arizona University at Flagstaff in Ashurst Hall.

The hearing is by invitation only. Witnesses testifying at the hearing are requested to bring 10 copies of their written statement with them on the day of the hearing. Please submit one copy in advance to the attention of Mark Rey, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. Time permitting, an open mike session will be held. If interested in giving a 2-minute statement, please contact Senator KYL's office in Phoenix, AZ, at (602) 840-1891.

For further information, please contact Mark Rey, at (202) 224-6170.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on Friday, August 4, 1995.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

OPPORTUNITY AND CHALLENGE

• Mr. CRAIG. Mr. President, I wanted to share with my colleagues a fine book authored by Dr. Fredrick Chien, Foreign Minister of the Republic of China.

"Opportunity and Challenge," published by the Arizona Historical Foundation, is a collection of Minister Fredrick Chien's speeches and writings, given between 1990 and 1994. These writings fully explain Taiwan's foreign policy; students of politics or anyone interested in the study of Taiwan will find them extremely helpful.

Of particular note is Taiwan's advocacy of "pragmatic diplomacy." Even though the Republic of China does not have formal relations with many countries, its "pragmatic diplomacy" has enabled Taiwan to have substantive relations with nearly all the countries in the world. Taiwan's relationship with the United States is a classic example of "pragmatic diplomacy" at work. Despite the lack of formal ties, Taiwan and the United States enjoy an informal working relationship which continually grows stronger. After a careful study of Chien's writings, I conclude that the Republic of China is on the right track in terms of expanding its international presence.

One of the challenges facing Minister Fredrick Chien and his government is Taiwan's bid to rejoin the United Nations. Clearly, Taiwan is qualified to be a member of the U.N. It is to be hoped that the world will soon see the injustice of keeping Taiwan out of the U.N. and will invite Taiwan to rejoin the world body.

The U.N. issue has been mentioned prominently in "Opportunity and Challenge," and so have a number of other interesting issues such as Taiwan's relationship with the Chinese Communists, the independence movement in Taiwan and the role of Taiwan in the 21st century.

"Opportunity and Challenge" is a collection of well thought-out statements on Taiwan's foreign relations by one of Taiwan's most eminent leaders: Fredrick Chien. I highly recommend this book.●

MISLEADING LOTTERY ADS

• Mr. SIMON. Mr. President, many States have been directly involved in the explosive growth of gambling across the Nation in the last two decades.

The staggering surge in State-sponsored and State-licensed gaming has largely been the result of impulsive decisions by cash-strapped State and local governments whose leaders are looking for painless new sources of revenue.

There has been scant attention, at any level of government, to the larger and often troubling public policy implications that accompany the gambling boom. I have introduced S. 704, a bill that would charter a Gambling Impact Study Commission which, after an 18-month inquiry, would release its findings in a report that would provide some guidance to the President, to the Congress, to State and local governments and to the American people as these decisions are made in the future. Senator LUGAR has joined in this effort as the chief Republican cosponsor of this legislation.

In the current issue of the Washington Monthly, Joshua Wolf Shenk offers an illuminating analysis of the ways that State lotteries often entice individuals into gambling with sales pitches that, he notes, are "the only form of advertising unburdened by State and federal truth-in-advertising standards." I call his article, "Everyone's A Loser," to the attention of my colleagues, and I ask unanimous consent that it be printed in the RECORD.

The article follows:

[From the Washington Monthly, July/Aug. 1995]

EVERYONE'S A LOSER: HOW LOTTERY ADS ENTICE THE WRONG PEOPLE TO GAMBLE

(By Joshua Wolf Shenk)

Tom had been playing the lottery for two years when God started whispering in his ear. At first, Tom (who asked that his last name be withheld) would spend just a few dollars a week. He had his regular numbers, and he'd play them when he thought of it.

But then, he says, on the days that he hadn't planned on playing, the word would come from Heaven: Your number is coming tonight. Fear would strike him like ice water on the neck: "I'd think, 'I'm not going to win it. I don't have the [money] on that number.'" So he'd rush out to play his regular number, and many more. Before long, he was spending \$300 a week on tickets.

"It was 'A Dollar and a Dream'; 'Hey, You Never Know,'" he says, repeating the adver-

tising slogans of the New York lottery. Tom pauses. "Those were good come-ons."

It's no accident that the voices inside Tom's head echoed lottery ads. They're extremely effective. And they're everywhere: on the radio and TV, in bus shelters and on billboards, even in mailings sent straight to homes. The message is simple: Play the lottery and get rich. Get rich, and all your problems will be solved. The New York lottery takes in more than \$2 billion in sales each year, and it spends \$30 million each year on advertising to keep the cash rolling in.

State lotteries target anyone who might cough up a dollar (or \$10 or \$20) for the chance to strike it rich. Conveniently silent on the odds, these ads send the message that hard work and patience is for suckers. In the process, the ads help wring billions of dollars from the most vulnerable "customers" possible—the poor and the addicted.

Criticism of state lotteries runs a wide gamut. Some say the state shouldn't even allow gambling, much less conduct it. Others argue that gambling should be left in private hands. Still others believe that the state should run lotteries for roughly the same reason many states run liquor stores: to keep the business controlled and clean, and to make money for the state.

Regardless of where you stand on these important questions, though, one thing should be clear: The advertising that entices Americans to spend tens of billions of dollars on lottery tickets each year is deceitful and corrosive. It is the only form of advertising unburdened by state and federal truth-in-advertising standards. The fact that it comes from the state—which ought to encourage people's strengths, not prey on their weaknesses—makes it all the more foul.

Today, 37 states and the District of Columbia have instituted lotteries, and that number is likely to grow. "Quite simply, states need the revenue," explains David Gale, executive director of the North American Association of State and Provincial Lotteries. "Every dollar raised by the lottery is a dollar you don't need to get from taxes." Across the country, \$34 billion in lottery tickets were sold in 1994. In Texas, the lottery contributed \$935 million to the state's budget. In New York, the figure was \$1.01 billion. As states have become dependent on lottery revenue, the pressure to keep people playing has become relentless. "Marketing is absolutely essential," Gale says. "Lottery tickets are no different than any other product. Your market will lose interest after a while. You have to keep after them."

Like any sophisticated business, lotteries target the specific groups of people most susceptible to suggestion. The Iowa lottery's media plan, for example, contains the following statement of objective: "To target our message demographically against those that we know to be heavy users."

One such target is the poor. The charge that lotteries are regressive—that is, hitting lower-income residents the hardest—makes intuitive sense, since the pitch of wealthy fantasies clearly resonates most strongly among those who are least affluent. "There's absolutely no question about it," says Charles Clotfelter, a Duke University economist and a leading authority on lotteries. According to a study by the Heartland Institute, a conservative think tank, the poor spend more money than the non-poor on lotteries—not only as a percentage of their income, but also in absolute terms. Blacks and Hispanics also tend to play more often than whites.

I worked two summers at an Ohio convenience store that sold lottery tickets, and my experience there confirms these findings. The store drew customers from all socioeconomic backgrounds, but lottery players

fell into distinct categories. On a normal day, the lottery patrons were mostly working-class blacks. When the jackpot for Super Lotto got sky-high, some wealthier folks joined the lines. But the staple customers—those who spent five, 20, or 40 dollars a day on daily numbers and scratch-off games—were the same people every day; not executives or store managers playing for kicks, but postal workers and retirees on Social Security. You'll see the same trend at almost any lottery outlet. You'll also notice that the same stores almost invariably sell liquor and cigarettes. Choose your poison.

The image of miserable working people magically transported to lives of wealth and ease is a staple of lottery ads. A billboard once placed in a slum of Chicago read simply: "Your Ticket Out of Here." An ad for the D.C. lottery shows a man "before" the lottery—with matted hair, stubble on his face, and glasses—and "after"—freshly washed and clean-shaven, wearing a tuxedo, and holding the program for a theater performance. The copy reads: Just One Ticket . . . And It Could Happen to You." And ad for the Michigan lottery shows a college kid piloting a Lear jet. Then it cuts to him daydreaming on the job at a fast food restaurant. "Thirty new Lotto millionaires were created last year," the announcer states. "Play the Lotto, and you could win the stuff dreams are made of."

Lottery ads also go after gambling addicts, using a message tuned to their weaknesses. About 5 percent of the population is susceptible to compulsive gambling, according to Dr. Valerie Lorenz, executive director of the Compulsive Gambling Center in Baltimore. In many cases, she says, lottery ads help tip these people over the edge.

Remember Tom's greatest fear, that his number would fall on a day he hadn't bet? This is one of the defining characteristic of compulsive gamblers, and it's a button that lotteries push incessantly. "Don't forget to play every day," the Pennsylvania lottery ad says. Many ads picture disheartened would-be winners whose numbers came up on a day they declined or forgot to play. One ad for Tri-State Megabucks (in New Hampshire, Maine, and Vermont), for example, shows a pathetic man grilling hamburgers on a fire escape, while scenes of wealth and grandeur flash by. The theme is set to the tune of "It Had to Be You,"

It could have been you.
It could have been you.
Countin' the dough.
Ready to go, on that three-month cruise.
Walkin' in style, down easy street,
Wearin' a smile, it could have been sweet.
But what can I say?
You just didn't play.
It could have been you!

The theme of magical, instant transformation also lures problem gamblers. "They live in a very painful world," says Dr. Lorenz. "They want to escape into fantasy, and they want it instantly." And, of course, the sheer regularity of the ads is a curse to addicts trying to stay on the straight-and-narrow. "I hear this all the time from lottery addicts who are in recovery," Lorenz says. "They'll cover their ears or their heads. They'll say, 'I wish I could leave the state.' But that wouldn't help. It's all over the country."

The ads never mention the losers. Tom Cummings, executive director of the Massachusetts Council on Compulsive Gambling, told me about two women he has been counseling. "One lost her house after going \$40,000 in debt playing the lottery," he said. "The other gambled away money that was supposed to pay for her daughter's education. All on the lottery."

Lotteries aren't alone in suggesting that their product has magical qualities—that's the art of advertising. But lottery ads take a prize when it comes to their systematic distortion. Because the lotteries are chartered by state legislatures, they're untouchable by federal regulators and they consider state regulators their colleagues in public service. This allows lotteries to conceal the astronomical odds against winning and inflate the size of jackpots.

Consider a 1993 California radio spot profiling a lottery winner: "John Padgett went to bed on Saturday night a regular guy," the announcer says. "When he woke up, he was worth \$11 million. That's because he's Super Lotto winner number 610."

Well, not quite. Padgett did win an \$11.5 million jackpot. But that's not worth \$11.5 million. Any prize over a million dollars is paid out over 20 years. Padgett's annual payment came to \$575,000. After taxes, the actual yearly award is worth around \$400,000. And the lost value—due to both inflation (\$400,000 will be worth far less in 2013 than it is today) and lost interest—is significant.

It may be hard to sympathize with someone receiving a \$400,000 check every year. But this ad—and nearly every state uses a similar pitch—is clearly misleading. The government would never allow similar distortions from private sector advertisers.

Finance companies, for example, are explicitly forbidden to air commercials that feature investors who have earned vast sums of money with the message, "It could be you." But lotteries do just that. "I was probably going to have to go back to work to make ends meet," Kentucky lottery winner Denise Golden says in one ad. "And now I won't have to. . . . It's a dream come true."

Lotteries are also exempt from Federal Trade Commission truth-in-advertising standards and rules that, to give just one example, require contests and sweepstakes to clearly state the odds against winning in every advertisement. Omitting the odds is a crucial element of lotteries' media strategy, since they're trying to convince people that if they play long enough, they are certain to hit the jackpot. "Sooner than later," says an ad for the West Virginia lottery, "you're gonna win!" "We won't stop until everyone's a millionaire," the New York lottery promises.

A clue as to how far lotteries exceed the bounds that constrain other advertisers is indicated by a report from the National Association of Broadcasters issued in 1975. Three tactics seemed clearly out of bounds, the NAB concluded:

1. [Indicating] what fictitious winners may do, hope to do or have done with their winnings.

2. [Using] unqualified or inaccurate language regarding potential winners' winnings. (e.g. "There's a pot of gold for those who buy lottery tickets"; "Buy a ticket and be a winner.")

3. [Utilizing] approaches which praise people who buy lottery tickets or denigrate people who do not buy tickets.

Today's lotteries hold themselves to no such standards. The only rule is to produce maximum profit. Even in Virginia and Texas, two states that forbid their lotteries to "induce" people to play, ads make gambling seem fun and glamorous. Missouri originally required all its lottery ads to include a disclaimer: "This message . . . is not intended to induce any person to participate in the lottery or purchase a lottery ticket." The disclaimer was dropped in 1988. It was thought to be hurting sales.

Lotteries defend themselves against criticism by citing the revenue they raise. They also advertise to publicize their role in funding state projects. (Not only does this ap-

proach bolster political support, it's also a shrewd ploy to hook more players. Gambling is fun—and it's also a public service!)

Each state has its own slogan: "When Colorado plays, everybody wins." "The Missouri lottery: It makes life a little richer for all of us." The premise of these ads—and a crucial element of lotteries' popularity—is that money goes to improving favorite areas of state spending, like schools or parks. But this is a mere accounting trick. Ohio claims that its lottery revenue goes toward education, for example. "But that doesn't mean that the budget for education grows by that much," David Gale explains. "What happens is, the legislature budgets this much for education. They see the lottery will contribute this much. So they take the money they would have spent on education and put it to other uses."

Most states avoid the fiction altogether and say outright that the money goes to the general fund. But that doesn't stop lotteries from claiming credit for the very best of state government. On its 20th anniversary, the Maryland lottery ran a series of "public service" ads. One pictured a nurse holding an infant, saying the baby would get better care because of the Maryland lottery. Another ad in the series gave credit to the lottery for the high school graduation of an inner-city black teenager.

It is true that lottery profits go to state treasuries. But so do taxes. Taxes are also honestly raised and reflect community decisions about how to fairly distribute burdens and responsibilities. In the current political climate, raising lottery revenue is a political virtue; raising taxes is political death. Naturally, politicians choose the easy route. New York Governor George Pataki recently announced plans for an enormous tax cut. He intends to make up the loss in revenue through the introduction of "five minute keno" in liquor stores and bars, which is expected to net the state \$115 million per year.

Lotteries defend themselves by pointing out the obvious: No one is forced to buy a lottery ticket. "I get so angry when people say they should decide how [others] should spend their money," says Teresa La Fleur, who publishes books and a magazine for the lottery industry. "Unless we decide it's wrong to gamble, it's just a fact of life that people are going to make choices with their money."

But states don't merely allow, or provide, gambling. They stimulate it. In addition to running ads, some states even conduct direct-mail campaigns, sending coupons for free tickets via mail. In a typical campaign, cited in "Selling Hope: State Lotteries in America," by Clotfelter and co-author Phillip Cook, 35 to 40 percent of the coupons were redeemed for lottery tickets. One-third of those who redeemed the coupons were new players; one-third of these new players began to play regularly.

Considering the addictiveness of lotteries, these types of promotions are inexcusable. Of the nearly 40,000 calls to the Council on Compulsive Gambling in New Jersey last year, for example, 52 percent complained of addiction to lottery games. Imagine the outcry if Phillip Morris sent free packs of cigarettes through the mail.

In fact, the parallel between cigarettes and lottery tickets is uncanny. That's why both have been the subject of strict limits on advertising. Until 1974, when Congress repealed a ban on the promotion of gambling in the mass media, TV stations couldn't so much as mention winning numbers. Now, of course, TV is the most popular medium of advertising. Besides the many commercials, lottery drawings are televised and a number of states have half-hour game shows centered around the lottery.

Congressman Jim McCrery, a Republican from Louisiana, has introduced legislation requiring the Federal Trade Commission to impose truth-in-advertising standards on lotteries. That would be a start. But a more dramatic step—banning ads altogether—is in order.

Lottery ads don't just sell a product. They sell a way of life. One ad for the Washington state lottery shows a line of workers punching their time clock. "The true joys in life," the announcer says, "are not found in the empty pursuit of pleasure, but in the accomplishments realized through one's own hard labor. For nothing satisfies the soul so much as honest toil, and seeing through a job well done." Then the man at the end of the line takes his timesheet and throws it out the window. "Of course, having a whole bunch of money's not bad either."

When will public officials stop for a moment, and listen to what they're saying—that hard work and patience are for suckers, that civic virtue is a function of how much you spend on the lottery? "Even in these cynical times," says Clotfelter, "government has some moral capital. So when the government says, 'Children, stay in school'; 'Husbands, don't beat your wives'—these have some value to them. If you take that capital and use it [the way lotteries do], one has to ask, does this serve the intention of the state?"

A TRIBUTE TO ELIZABETH NOYCE

• Mr. COHEN. Mr. President, I would like to take a moment to recognize one of my State's finest and most generous citizens. Maine has a long tradition of philanthropic largesse, but Elizabeth Bottomley Noyce must now rank among the most kind-hearted, generous and supportive Mainers in the State's history.

Earlier this summer, Mrs. Noyce purchased \$19 million worth of property in

downtown Portland. The property includes 6 acres of land, 3 office towers and some other buildings along Congress Street, in the heart of Maine's largest city. But she did not buy the property in hopes of doubling her investment and moving on. Instead, she did so in hopes of luring businesses, retailers, and shoppers back to downtown Portland.

Like so many downtowns across America, Portland's is showing some wear and tear. The trend of the last decade or two has been toward sprawling suburban malls with enormous parking lots and varied stores in one convenient, air-conditioned setting. And while malls have been, in many ways, a blessing in terms of convenience for the customer and business for the retailer, they have left a void in downtowns across the country.

The company that will manage the properties Mrs. Noyce purchased has indicated that it plans to refurbish some of the buildings and add more parking in the area in order to lure some of the cultural and economic vibrancy of southern Maine back to downtown Portland. That was Mrs. Noyce's goal in making the purchase—to make Portland's downtown as thriving and vital as possible.

Such a purchase would be a noteworthy event on its own. But what makes Elizabeth Noyce special is that the recent investment in downtown Portland is merely the latest in a long series of gifts to the people of Maine. Over the last decade, according to press reports, Mrs. Noyce had donated more than \$50 million to a variety of Maine institutions and communities. Her \$3.5 million donation, for instance, allowed

for the construction of the Maine Maritime Museum, which attracts thousands of visitors every year to explore Maine's rich seafaring history. She has also given \$5 million to the University of Maine, \$1 million each to the Maine Medical Center and the Portland Museum of Art, and another \$250,000 to the Eastern Maine Medical Center in Bangor—just to name a few recent gifts. And she spent \$7 million in 1991 to start Maine Bank & Trust and help Maine businesses at a time when there was a full-fledged banking crisis in Maine. She helped restore financial confidence in the Maine banking industry and her bank has flourished as a result—today it has 100 employees and is approaching 10 branches.

Last year, she gave \$1 million to Maine Public Broadcasting. But instead of just writing a check, she had five houses built on the Maine coast. The project generated more than just revenue—it generated jobs for Maine construction workers, builders, and designers. The money from the sale of the five homes went to Maine Public Broadcasting, but the investment was much larger than that simple donation. It is the same principle she intends to apply in downtown Portland.

None of these gifts were to garner newspaper headlines or capture statewide notoriety. Instead, they were simply gifts of a wonderful and generous spirit who believes very strongly in both the present and the future of Maine.

Elizabeth Noyce has become Maine's guardian angel—and our State is a much better place because of her.

FOREIGN CURRENCY REPORTS

In accordance with the appropriate provisions of law, the Secretary of the Senate herewith submits the following report(s) of standing committees of the Senate, certain joint committees of the Congress, delegations and groups, and select and special committees of the Senate, relating to expenses incurred in the performance of authorized foreign travel:

ADDENDUM.—CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95—384—22 U.S.C. 1754(b), COMMITTEE ON APPROPRIATIONS FOR TRAVEL FROM OCT. 1 TO DEC. 31, 1994

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Scot B. Gudes:									
Cape Verde	Escudo	16,650	204.00					16,650	204.00
Namibia	Rand	564.44	162.00					564.44	162.00
South Africa	Rand	2,698.48	758.00	5,572.96	1,565.44	383.05	107.60	8,654.49	2,431.04
Botswana	Pula	1,362.72	501.00	3,228.93	1,187.11			4,591.65	1,688.11
Morocco	Dirham	4,312.94	482.00	429.12	48.00	181.91	20.33	4,923.97	550.33
Total			2,107.00		2,800.55		127.93		5,035.48

ROBERT C. BYRD,
Chairman, Committee on Appropriations, June 9, 1995.

CONSOLIDATED REPORT OF EXPENDITURE OF FOREIGN CURRENCIES AND APPROPRIATED FUNDS FOR FOREIGN TRAVEL BY MEMBERS AND EMPLOYEES OF THE U.S. SENATE, UNDER AUTHORITY OF SEC. 22, P.L. 95—384—22 U.S.C. 1754(b), COMMITTEE ON ARMED SERVICES FOR TRAVEL FROM APR. 1 TO JUNE 30, 1995

Name and country	Name of currency	Per diem		Transportation		Miscellaneous		Total	
		Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency	Foreign currency	U.S. dollar equivalent or U.S. currency
Senator John S. McCain:									
Thailand	Dollar		213.00						213.00
Vietnam	Dollar		930.00						930.00
Burma	Dollar		282.00						282.00
Cambodia	Dollar		284.00						284.00
Singapore	Dollar		506.00						506.00